

Imperial Valley Study Group

Transmission Planning Collaborative

Initial Meeting

November 18, 2004



Agenda

- Review mission/purpose
- Adopt groundrules for working together
- Review draft study plan; consider options
- Agree on study plan
- Establish goals, schedule
- Select Steering Committee and/or Technical Work Group
- Set meeting dates

Imperial Valley Geothermal Resource

- 540 MW in operation now
- Potential for additional >2,000 MW
 - 16,000 GWh/yr, \approx Diablo Canyon
 - Comparable to LNG terminal output
 - Avoid burning 110 bcf natural gas/year
 - Keeps LNG dollars in the state
 - Necessary to implement RPS

Study Group Mission/Purpose

- Specify transmission upgrades for export of 2,000 MW geothermal power
 - Phased development plan
 - Consolidated permitting for entire project
- Consensus recommendation of stakeholders
- Create support sufficient to get upgrades built, overcome local opposition

Stakeholder/Participants

- Transmission owners/operators
- Potential power purchasers
- Generators/power project developers
- Counties/landowners; affected agencies
- CEC, CPUC for jurisdictional utilities
- Environmental groups/public; open to all

Collaboration Ground Rules

Cooperative group interaction

- Facilitated meetings; minutes approved by all
- Transparent planning assumptions, data access
- Good faith effort to reach consensus on key issues
 - Meeting leader clarify agreement/disagreement
 - Individual responsibility to speak up if disagree
- Work toward plan acceptable to all parties
 - Separate report by dissenting parties if necessary.

Study Group Outcomes

- Detailed plan for entire build-out
 - Ensures reliability; least-cost/impact
 - Proposes triggers for each construction phase
 - Plan for EIR covering entire build-out
 - CPCN filing(s) for IOUs
 - Proposals to public power Boards of Directors
 - Financing/cost allocation-cost recovery plan
 - Possible joint public/IOU ownership/operation
- Advocacy for final approval/construction

Study Process

- Identify tx alternatives to export 2,000 MW
 - Phased to match market/geo plant construction
 - Conceptual plan of service including lines, substations, RAS/redispach facilities
 - TOs do powerflows
 - Determine impacts at key delivery points vs. base case
 - Develop cost estimates for each alternative
 - Use ISO economic evaluation to rank alternatives by ratepayer benefit/cost
- Each party pays own costs

Steering Committee

- Accountable to entire Study Group
- Convenes, manages meetings
- Leads technical evaluation of upgrade alternatives
- Ensures tasks completed on schedule
- Overall responsibility for plan capable of winning public, regulatory approval

Planning Committee

- IID, SDG&E, CalEnergy, CEERT
- Met October 25 to identify viable upgrade alternatives, prepare draft study plan
- Proposes name change to Imperial Valley Study Group